

## Message Text

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ORIGIN AF-06

INFO OCT-01 ISO-00 EB-07 XMB-02 AID-05 CIAE-00 COME-00

FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 /049 R

DRAFTED BY AF/EPS:LMWHITE:MB

APPROVED BY AF/EPS - ROBERT B. DUNCAN

AF/E - ESHIPPY

EB/IDF/ODF - RSWART

EXIM - JLENTZ

----- 009902

R 252117Z FEB 76

FM SECSTATE WASHDC

TO AMEMBASSY NAIROBI

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E.O. 11652: N/A

TAGS: EFIN, EXIM, KE

SUBJECT: EXIMBANK CREDIT FOR KENYA HOTEL PROPERTIES

REF: (A) NAIROBI 01403 (B) STATE 020680

1. EXIMBANK HAS NOW RECEIVED NEW APPLICATION FOR CREDIT FROM INTERCONTINENTAL HOTELS WITH REQUEST THAT ORIGINAL INTEREST RATE BE MAINTAINED. HOWEVER, THERE IS ADDITIONAL COMPLICATION BECAUSE WORDING OF KENYAN GOVERNMENT GUARANTEE MAY BE DEFECTIVE IN THAT (1) IT APPEARS PROVIDE GUARANTEE FOR PRINCIPAL BUT NOT FOR INTEREST AND (2) IT PROVIDES FOR REPAYMENT DATE ON MAY 10, 1976 WHICH WOULD NOW BE TOO SOON. BURGUND OF IHC WAS SURPRISED TO LEARN OF THIS ADDITIONAL COMPLICATION.

2. IF LOAN APPLICATION MUST BE REFERRED BACK TO PARLIAMENT  
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FOR CORRECTION OF GUARANTEE WORDING IF WOULD APPEAR NO

ADDITIONAL TIME WOULD BE LOST BY PARLIAMENTARY CONSIDERATION OF CURRENT INTEREST RATES AT SAME TIME.

3. WE HAVE MADE ALL POINTS INDICATED IN NAIROBI REFTEL TO EXIMBANK AND FNCB BUT NEITHER CAN PREDICT AT THIS TIME WHAT DECISION WILL BE ON INTEREST RATE QUESTION. IMMEDIATE PROBLEM TO BE RESOLVED BEFORE MATTER CAN BE REFERRED

TO EXIMBANK BOARD IS NEED FOR AMENDED WORDING OF KENYA GOVERNMENT GUARANTEE TO CORRECT DEFECTS MENTIONED IN PARAGRAPH 1. IHC IS NOW INVESTIGATING POSSIBILITIES FOR SOLUTION OF THIS PROBLEM. KISSINGER

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** HOTELS, CREDIT GUARANTEES, INTEREST RATES, DEBT REPAYMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 FEB 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** RowellE0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976STATE045463  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** LMWHITE:MB  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760071-0903  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1976/newtext/t19760213/aaaaakvy.tel  
**Line Count:** 73  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN AF  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 NAIROBI 1403, 76 STATE 20680  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** RowellE0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 22 JUL 2004  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <22 JUL 2004 by coburnhl>; APPROVED <26 OCT 2004 by RowellE0>  
**Review Markings:**

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EO Systematic Review  
04 MAY 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** EXIMBANK CREDIT FOR KENYA HOTEL PROPERTIES  
**TAGS:** EFIN, KE, INTERCONTINENTAL HOTELS, XMB  
**To:** NAIROBI  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006